Illinois Department of Revenue 1500 South Ninth Street Springfield, Illinois 62708

INFORMATIONAL BULLETIN FY84-28

TO: All Retailers and Users Qualifying for Manufacturing

Machinery and Equipment Exemption

SUBJECT: Machinery and Equipment Exemption Schedules RR-586 and RR-

586A

To accommodate the increased sales tax rate (from 4% to 5%), the Machinery and Equipment Exemption Schedule (RR-586) has been revised. For any delivery of qualifying manufacturing machinery or equipment made on or after January 1, 1984 you should use the revised form. The total of Column 7 on the RR-586 is to be entered in Item 2(h), Column 3 of the sales tax return (Form RR-1-A). The exemption rate was increased from 56.25% of the selling price to 81.25% on January 1, 1984.

If you are still receiving monies (accounts receivable) on machinery and equipment delivered prior to January 1, 1984, you must report those sales on a new schedule, Form RR-586A. The total of Column 7 on the RR-586A is to be entered in Item 2(h), Column 2 of the RR-1-A.

Please note that the totals on the RR-586 and RR-586A must be reported separately.

Enclosed are your Machinery and Equipment Exemption Schedules RR-586 and RR-586A. Additional forms are available by addressing your request to Illinois Department of Revenue, P.O. Box 3545, Springfield, Illinois 62708.

Should you need assistance in completing your return and/or schedule, you may call us at (217) 782-7897 or, in Cook County , at (312) 641-2150.

J. Thomas Johnson Director of Revenue

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